

Before the  
Federal Communications Commission  
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

In the Matter of )

Defining Primary Lines )

CC Docket No. 97-181

### COMMENTS OF BELL ATLANTIC<sup>1</sup>

The Commission should adopt its tentative conclusion to provide the hearing or speech-impaired with access to the telecommunications network at primary line rates. Specifically, the Commission should assign primary line status to residential lines used in conjunction with hearing-disabled equipment, regardless of whether another line at the location is also treated as a primary line. All residential lines with TTY equipment would therefore be classified as primary lines.

The Commission should not, however, unnecessarily complicate the cost recovery process by classifying TTY-equipped lines as non-primary lines and then recovering the non-primary rates through subsidies from the Telecommunications Relay Services or Universal Service Funds. Neither Fund is currently capable of tracking the number of TTY-equipped lines and the corresponding revenue differential between primary and non-primary subscriber line charges, nor is there a need to require them to do so. Instead, the existing mechanism for loop cost recovery is sufficient to compensate local exchange carriers for any cost differential that is not recovered through the primary subscriber line charge.

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<sup>1</sup> Bell Atlantic-Delaware, Inc.; Bell Atlantic-Maryland, Inc.; Bell Atlantic-New Jersey, Inc.; Bell Atlantic-Pennsylvania, Inc.; Bell Atlantic-Virginia, Inc.; Bell Atlantic-Washington, D.C., Inc.; Bell Atlantic-West Virginia, Inc.; New York Telephone Company; and New England Telephone and Telegraph Company.

**A. The Commission Should Classify TTY Lines as “Primary” Lines and Reject Its Proposal to Create Subsidies to Support a Non-Primary Line Classification.**

The simplest way to ensure that hearing and speech-impaired Americans have access to telecommunications services at affordable rates is to classify or define residential TTY-equipped lines as primary lines regardless of the existence of another line at a residence and to refrain from subsidizing such rates through any funding mechanisms. And the policy logic that the Commission applied to shield primary line residential customers from increased subscriber line charges applies equally to TTY customers.<sup>2</sup>

The Commission should not, however, complicate the administration of either the Universal Service Fund or the Telecommunications Relay Services Fund by designating TTY lines as non-primary lines and creating subsidies. As an initial matter, there is no good reason to expend scarce administrative resources to recover costs that carriers are already capable of recovering. In light of the limited number of TTY customers, it does not make good economic or policy sense to incur the significant cost to implement expensive and time-consuming tracking mechanisms and new administrative procedures to facilitate a Telecommunications Relay Services or Universal Service Fund-supported TTY subsidy. In fact, carriers actually would incur more costs to change their billing systems, train service representatives and advertise the new TTY subsidy program than they would recoup in total subsidies. Consequently, it is far more efficient for the Commission to simply extend the primary subscriber line charge to TTY lines and allow local exchange carriers to recover the revenue differential between primary and non-primary subscriber line charge rates from access charges in accordance with the normal cost recovery regime.

Moreover, neither Fund is currently able to track, segregate and cap subscriber line charge rates for TTY lines. For example, the Telecommunications Relay Services Fund can not readily accommodate a subsidy for TTY line charges because it is designed to fund Telecommunications Relay Services Centers -- not to quantify and calculate revenue differentials for TTY subscriber line charges. The Commission should not distort the

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<sup>2</sup> See *Access Charge Reform*, First Report and Order, 12 FCC Rcd. 15982, at ¶ 73 (1997).

Telecommunications Relay Services Fund's focus from financing Telecommunications Relay Services Centers to subsidizing line charges.

The Universal Service Fund also is not equipped to accommodate a TTY subsidy. The current tracking mechanisms for the High Cost or Low Income Funds -- the only Funds in which TTY might reasonably be classified -- are incapable of quantifying the number of TTY lines and the attendant costs of a subscriber line charge reclassification. As a result, the Commission would have to modify the Universal Service Fund to implement a new tracking and accounting system exclusively for TTY lines. As explained above, however, the cost to do so would be greater than any potential benefit.

Moreover, the Federal-State Joint Board, in its *Recommended Decision*, has already concluded that it is inappropriate to include any additional services, including Telecommunications Relay Services (which utilizes TTY lines), in the general definition of "universal service."<sup>3</sup> The Commission, in its corresponding Order, chose not to challenge the Joint Board's conclusion.<sup>4</sup> Thus, TTY lines should not be funded by the Universal Service Fund unless the Joint Board has an opportunity to evaluate the merit of placing another burden on this Fund, which is, at this point, a work in progress.

Indeed, adopting now an entirely new category of universal service subsidies and complex new mechanisms to administer such subsidies would come at a particularly inopportune time. The Commission currently is in the process of overhauling the Universal Service Fund for non-rural carriers, and adopting a new subsidy framework for TTY lines would only serve to further muddy the Universal Service Fund administration waters.<sup>5</sup> This is still another reason to refrain from encumbering the Universal Service Fund with new funding requirements.

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<sup>3</sup> *Federal-State Joint Board on Universal Service*, Recommended Decision, 12 FCC Rcd. 87 at ¶ 69 (1996).

<sup>4</sup> *See Federal-State Joint Board on Universal Service*, Report and Order, 12 FCC Rcd. 8776 (1997).


<sup>5</sup> *See Federal-State Joint Board on Universal Service Forward-Looking Mechanism for High Cost Support for Non-Rural LECs*, Fifth Report and Order, 13 FCC Rcd. 21323 (1998).

**B. Self-Certification Is An Appropriate Means to Identify TTY Lines.**

TTY lines should be identified through subscriber self-certification. The Commission correctly notes that, because TTY is a piece of consumer premises equipment that is added by the subscriber to the telephone line, local exchange carriers can not determine with any certainty the exact number of lines dedicated to TTY use. As a result, Bell Atlantic already relies on self-certification to provide discounted rates on intrastate toll service to TTY users.

The Commission should avoid adopting detailed rules for the self-certification process, however. To the extent they already rely on self-certification for some purposes, local exchange carriers will have instituted their own procedures. As a result, the Commission should allow carriers to extend their existing procedures for purposes of identifying TTY-equipped lines and applying the primary subscriber line charge rate.

Respectfully submitted,

  
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CERTIFICATE OF SERVICE

I hereby certify that on this 9th day of April, 1999, copies of the foregoing "Comments of Bell Atlantic" were sent by first class mail, postage prepaid, to the parties on the attached list.

A handwritten signature in black ink, appearing to read "Jennifer L. Hoh", written over a horizontal line.

Jennifer L. Hoh

\* Via hand delivery.

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